

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to transfers made after the date of the enactment of this Act.

SEC. 309. CONSISTENT BASIS REPORTING BETWEEN ESTATE AND PERSON ACQUIRING PROPERTY FROM DECEDENT.

(a) **CONSISTENT USE OF BASIS.**—

(1) **PROPERTY ACQUIRED FROM A DECEDENT.**—Section 1014 is amended by adding at the end the following new subsection:

“(f) **BASIS MUST BE CONSISTENT WITH ESTATE TAX VALUE.**—

“(1) **IN GENERAL.**—For purposes of this section, the value used to determine the basis of any interest in property in the hands of the person acquiring such property shall not exceed the value of such interest as finally determined for purposes of chapter 11.

“(2) **SPECIAL RULE WHERE NO FINAL DETERMINATION.**—In any case in which the value of property has not been finally determined under chapter 11 and there has been a statement furnished under section 6035(a), the value used to determine the basis of any interest in property in the hands of the person acquiring such property shall not exceed the amount reported on the statement furnished under section 6035(a).

“(3) **REGULATIONS.**—The Secretary may by regulations provide exceptions to the application of this subsection.”.

(2) **PROPERTY ACQUIRED BY GIFTS AND TRANSFERS IN TRUST.**—Section 1015 is amended by adding at the end the following new subsection:

“(f) **BASIS MUST BE CONSISTENT WITH GIFT TAX VALUE.**—

“(1) **IN GENERAL.**—For purposes of this section, the fair market value of any interest in property at the time of the gift of that interest shall not exceed the value of such interest as finally determined for purposes of chapter 12.

“(2) **SPECIAL RULE WHERE NO FINAL DETERMINATION.**—In any case in which the value of property has not been finally determined under chapter 12 and there has been a statement furnished under section 6035(b), the fair market value of any interest in property at the time of the gift of that interest shall not exceed the amount reported on the statement furnished under section 6035(b).

“(3) **REGULATIONS.**—The Secretary may by regulations provide exceptions to the application of this subsection.”.

(b) **INFORMATION REPORTING.**—

(1) **IN GENERAL.**—Subpart A of part III of subchapter A of chapter 61 is amended by inserting after section 6034A the following new section:

“SEC. 6035. BASIS INFORMATION TO PERSONS ACQUIRING PROPERTY FROM DECEDENT OR BY GIFT.

“(a) **INFORMATION WITH RESPECT TO PROPERTY ACQUIRED FROM DECEDENTS.**—

“(1) **IN GENERAL.**—The executor of any estate required to file a return under section 6018(a) shall furnish to the Secretary and to each person acquiring any interest in property included in the decedent's gross estate for Federal estate tax purposes a statement identifying the value of each interest in such property as reported on such return and such other information with respect to such interest as the Secretary may prescribe.

“(2) **STATEMENTS BY BENEFICIARIES.**—Each person required to file a return under section 6018(b) shall furnish to the Secretary and to each other person who holds a legal or beneficial interest in the property to which such return relates a statement identifying the information described in paragraph (1).

“(3) **TIME FOR FURNISHING STATEMENT.**—

“(A) **IN GENERAL.**—Each statement required to be furnished under paragraph (1) or (2) shall be furnished at such time as the

Secretary may prescribe, but in no case at a time later than the earlier of—

“(i) the date which is 30 days after the date on which the return under section 6018 was required to be filed (including extensions, if any), or

“(ii) the date which is 30 days after the date such return is filed.

“(B) **ADJUSTMENTS.**—In any case in which there is an adjustment to the information required to be included on a statement filed under paragraph (1) or (2) after such statement has been filed, a supplemental statement under such paragraph shall be filed not later than the date which is 30 days after such adjustment is made.

“(b) **INFORMATION WITH RESPECT TO PROPERTY ACQUIRED BY GIFT.**—

“(1) **IN GENERAL.**—Each person making a transfer by gift who is required to file a return under section 6019 with respect to such transfer shall furnish to the Secretary and to each person acquiring any interest in property by reason of such transfer a statement identifying the fair market value of each interest in such property as reported on such return and such other information with respect to such interest as the Secretary may prescribe.

“(2) **TIME FOR FURNISHING STATEMENT.**—

“(A) **IN GENERAL.**—Each statement required to be furnished under paragraph (1) shall be furnished at such time as the Secretary may prescribe, but in no case at a time later than the earlier of—

“(i) the date which is 30 days after the date on which the return under section 6019 was required to be filed (including extensions, if any), or

“(ii) the date which is 30 days after the date such return is filed.

“(B) **ADJUSTMENTS.**—In any case in which there is an adjustment to the information required to be included on a statement filed under paragraph (1) after such statement has been filed, a supplemental statement under such paragraph shall be filed not later than the date which is 30 days after such adjustment is made.

“(c) **REGULATIONS.**—The Secretary shall prescribe such regulations as necessary to carry out this section, including regulations relating to—

“(1) applying this section to property with regard to which no estate or gift tax return is required to be filed, and

“(2) situations in which the surviving joint tenant or other recipient may have better information than the executor regarding the basis or fair market value of the property.”.

(2) **PENALTY FOR FAILURE TO FILE.**—

(A) **RETURN.**—Section 6724(d)(1) is amended by striking “and” at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting “, and”, and by adding at the end the following new subparagraph:

“(D) any statement required to be filed with the Secretary under section 6035.”.

(B) **STATEMENT.**—Section 6724(d)(2) is amended by striking “or” at the end of subparagraph (GG), by striking the period at the end of subparagraph (HH) and inserting “, or”, and by adding at the end the following new subparagraph:

“(II) section 6035 (other than a statement described in paragraph (1)(D)).”.

(3) **CLERICAL AMENDMENT.**—The table of sections for subpart A of part III of subchapter A of chapter 61 is amended by inserting after the item relating to section 6034A the following new item:

“Sec. 6035. Basis information to persons acquiring property from decedent or by gift.”.

(c) **PENALTY FOR INCONSISTENT REPORTING.**—

(1) **IN GENERAL.**—Subsection (b) of section 6662 is amended by inserting after paragraph (7) the following new paragraph:

“(8) Any inconsistent estate or gift basis.”.

(2) **INCONSISTENT BASIS REPORTING.**—Section 6662 is amended by adding at the end the following new subsection:

“(k) **INCONSISTENT ESTATE OR GIFT BASIS REPORTING.**—For purposes of this section, the term ‘inconsistent estate or gift basis’ means—

“(1) in the case of property acquired from a decedent, a basis determination with respect to such property which is not consistent with the requirements of section 1014(f), and

“(2) in the case of property acquired by gift, a basis determination with respect to such property which is not consistent with the requirements of section 1015(f).”.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply to transfers for which returns are filed after the date of the enactment of this Act.

TITLE IV—PERMANENT SMALL BUSINESS TAX RELIEF

SEC. 401. REPEAL OF SUNSET ON INCREASED LIMITATIONS ON SMALL BUSINESS EXPENSING.

(a) **IN GENERAL.**—Subsection (b) of section 179, as amended by the Small Business Jobs Act of 2010, is amended—

(1) by striking “\$25,000” in paragraph (1)(C) and inserting “\$125,000.”, and

(2) by striking “\$200,000” in paragraph (2)(C) and inserting “\$500,000.”.

(b) **INFLATION ADJUSTMENT.**—Section 179(b) is amended by adding at the end the following new paragraph:

“(6) **INFLATION ADJUSTMENT.**—

“(A) **IN GENERAL.**—In the case of any taxable year beginning after 2011, the \$125,000 amount in paragraph (1)(C) and the \$500,000 amount in paragraph (2)(C) shall each be increased by an amount equal to—

“(i) such dollar amount, multiplied by

“(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting ‘calendar year 2006’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(B) **ROUNDING.**—

“(i) **DOLLAR LIMITATION.**—If the amount in paragraph (1) as increased under subparagraph (A) is not a multiple of \$1,000, such amount shall be rounded to the nearest multiple of \$1,000.

“(ii) **PHASEOUT AMOUNT.**—If the amount in paragraph (2) as increased under subparagraph (A) is not a multiple of \$10,000, such amount shall be rounded to the nearest multiple of \$10,000.”.

(c) **PERMANENT EXPENSING OF COMPUTER SOFTWARE.**—Section 179(d)(1)(A)(ii), as amended by the Small Business Jobs Act of 2010, is amended by striking “and before 2012”.

(d) **REVOCATION OF ELECTION MADE PERMANENT.**—Section 179(c)(2), as amended by the Small Business Jobs Act of 2010, is amended to read as follows:

“(2) **REVOCATION OF ELECTION.**—Any election made under this section, and any specification contained in any such election, may be revoked by the taxpayer with respect to any property, and such revocation, once made, shall be irrevocable.”.

(e) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2011.

TITLE V—ALTERNATIVE MINIMUM TAX RELIEF

SEC. 501. EXTENSION OF INCREASED ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNT.

(a) **IN GENERAL.**—Paragraph (1) of section 55(d) is amended—